The Ideal Future Leader

1.0 Introduction

As the global world is evolving and technology is becoming ever more prominent in everyday life, future leaders must adapt and improve their skills. Leaders must ensure their organisations are competitive and innovative, keeping up with rapid change to reduce the risks of bankruptcy and being overtaken by competitors. Leaders must thus be open to learning and discovering new forms of leadership which are better suited to the developing business environment of the future. As "certain uncertainty" becomes the norm, there will be many ways for leaders to meaningfully upgrade their approaches to change (Rinne, 2021, para.13). Consequently, this assignment will critically analyse three crucial characteristics that ideal leaders must possess to ensure that they are successful in the future. Ideal leaders must have a high level of cultural intelligence (CQ) to successfully interact with different cultures, leaders must be innovative to keep up with the rapid changes in environment, and finally, they must be humble to create an environment where their followers feel empowered and open to sharing their ideas.

2.0 Cultural Intelligence (CQ)

According to Rockstuhl, CQ is the ability to be focused on one's capabilities in order to be effective when dealing with different cultures (Meyer, 2014). The ability to effectively lead diverse teams and be interculturally competent is becoming significant due to globalisation, being a process involving interaction and integration between diverse cultures and businesses (Javidan & House, 2001). Globalisation opens many opportunities for businesses, such as exploiting new markets and accessing an inexpensive workforce. However, this creates major challenges, such as understanding and appreciating different practices, subtleties and cultural values (Javidan & House, 2001). Culture is a complex term, but can be defined as the values, symbols, norms, beliefs and traditions that are common to a group of people (Northouse, 2018, p.415). Future ideal leaders will be expected to lead people with different backgrounds, genders, race, cultures, and belief systems all working towards a common goal. The CEO of Accor Hotels states one feature of future leaders should be the capability to work alongside people of different backgrounds and ages (Sharma, 2019).

However, this requires time and effort, some leaders not being able to commit to this in the long term. As the trend towards the 'global economic village' is growing, leaders face even more challenges, hence why CQ is a requirement for working in cross-border contexts and in the context of the changing face of organisations. However, this may require internal organisational changes and improved communication between the leader, but some people may lack the necessary flexibility for this. Leaders must have behavioural flexibility – the capacity to change according to other perspectives in order to meet new demands (Northouse, 2018, p.50).

Having an extensive knowledge of cultures will improve team management in cross-cultural contexts, as leaders will better understand their followers' values and customs through communication. Offermann and Phan (2002) note leaders with high CQ are better at managing a team in cross-cultural contexts, leaders more easily adapting their leadership behaviours according to specific cultural situations. Nevertheless, this will depend on the motivation of the team and their willingness to follow their leader. Rockstuhl et al. (2011) note CQ makes leaders consider their knowledge of other cultures and enhances awareness and accuracy of their cultural assumptions. This allows them to anticipate the possible values and expectations that may apply when they interact with other cultures, which means they must adapt their leadership style according to the specific cross-cultural situation. However, even if the leader becomes culturally intelligent, they must ensure their key subordinates, such as senior managers also have this skill which may create resistance.

Studies have shown the relationship between cross-cultural leadership effectiveness and high levels of CQ. Rockstuhl et al. (2011) tested the hypothesis that military leaders with a high level of CQ are more effective at managing in culturally diverse situations. The study examined 126 military leaders and their peers at the Swiss Military Academy in Zurich. The Cultural Intelligence Scale (CQS) was used to assess the level of CQ in the leaders. The results proved CQ was a critical competency for future global leaders, especially in cross-cultural contexts. This study supports the argument that future leaders must have high levels of CQ. However, this study only examined military leaders, who are renowned for being autocratic, which in many organisational settings is inappropriate. Consequently, as globalisation progresses, businesses will be required to interact across multiple cultures and be culturally competent. Additionally, future leaders must have CQ to

avoid ethnocentrism, prejudice, and exclusionary reactions. Ethnocentrism is the perception that one's own culture is superior to other cultures. (Northouse, 2018, p.435).

Despite the benefits of CQ, there are limitations, due to culture having multiple meanings. For example, global leaders must not oversimplify the concept of cultural awareness, but consider the unique characteristics that define every nation, religion, or group of people. Hofstede identifies five different cultural dimensions, such as power distance and individualism/collectivism (De Mooij, 2004). This framework is useful when assessing the differences in cultural values across businesses and the success of their leadership strategies. It is unjust to assume that every Japanese person has the same set of values and beliefs as a Western person, thus there is a risk of stereotyping and ethnocentrism. For example, Japan has a score of 46 on individualism, whereas the USA has a score of 91 (Hofstede Insights, 2018). Porter (2007) notes the damage when cultural awareness is dogmatically applied. Furthermore, the leaders' followers may find the attention to cultural difference intrusive, may feel excluded or stigmatized. Therefore, leaders must be sensitive to avoid these situations. Additionally, as globalisation becomes ubiquitous, there is an increasing concern about its effects on stakeholders, such as employees and local communities. Consequently, leaders who have high CQ will be better equipped to manage teams and organisations in cross-cultural contexts as they will be aware of differing values and behaviours.

3.0 Innovation and Adaptability

The ideal future leader must be innovative - able to adapt to change and generate novel ideas. Due to globalisation and continuous technological development driving competition, the success and survival of organisations in the future will depend on innovation. Additionally, the introduction of the metaverse will cause organisations to become much more digitalised (Fowler, 2021). Organisations must therefore adapt and drive change, possibly dramatically, meaning transformational leadership will certainly become required. Den Hartog et al. (1999) highlight the value of such leadership in changing individuals and organisations, but importantly gaining the trust, respect and admiration from their followers.

Innovative leadership involves applying innovation to managing people and projects. This is important when businesses are facing contemporary and future challenges, where leaders are expected to identify and use new and agile ways of thinking. This means leaving behind traditional leadership forms and creating an environment where employees are comfortable generating new ideas. This highlights the value of adaptive leadership and innovative thinking when change is required in helping organisations to survive. Furthermore, it emphasises the importance of employee inclusivity and engagement in encouraging their new ideas.

Adaptability and innovation are particularly important with growing globalisation and the need for the 'global leader', where leaders must adapt to new cultural leadership styles they might be unfamiliar with. Leaders who are more innovative can take advantage of the new opportunities provided by greater global connections, move outside the status quo and boost the success of their employees and businesses. However, leaders must not be resistant to change; this can be calculated using a Resistance to Change (RTC) questionnaire where resistance is measured using a 1-6 scale. A 2007 McKinsey global business leader survey found leadership was the best predictor of innovation performance (Barsh et al., 2008). Future business environments will become more complex, unpredictable and sensitive to change; thus, leaders must be innovative, adapting their leadership styles to succeed. The SunTrust Banks CEO notes that as the rate of change increases, leaders must know how to access the key information to address the change and the importance of knowledge management (Morgan, 2020, p.78).

The impact of technology is crucial, causing changes in markets and consumer behaviour, thus affecting the management of businesses and the role of the future leader. Organisations are striving to become more digitally integrated in the future; without innovative leaders this will be a challenge. This need for integration highlights the importance of a systems approach to managing businesses. Technology is dynamic, predicted to dominate future global markets, therefore organisations need innovative leaders to address this dynamism. For example, developing new products and services promptly to meet consumer needs requires leaders who have a clear vision for their followers. Therefore, "new product innovators" (McCloskey, 2019) are needed, being leaders who drive innovation through their organisations via their vision and dynamism. McCloskey (2019) highlights these leadership skills as crucial in responding to accelerating change and shorter future

product life cycles. However, it is also important to note that without psychological safety there cannot be creative or innovative environments, as followers must not be punished or humiliated for contributing their ideas (Edmondson & Mortensen, 2021, para.2). This implies leaders must use inclusive and employee-centred styles, generating new ideas and innovation from the bottom up. Furthermore, innovative environments can be facilitated by encouraging active listening, leading by example, creating ground rules and creating an overall psychologically safe environment to trust and empower the workforce.

However, although transformational leadership may be the most appropriate style to encourage innovation, leaders may have to overcome significant internal organisational resistance as they attempt to change the organisation. Such resistance may come from those in the organisation who prefer the status quo, such as middle management. Additionally, any change could take some time to implement and become embedded in the organisation. Furthermore, an innovative leader may have a vision that is unrealistic, meaning they may have to be questioned and criticised where necessary.

4.0 Humility

An ideal future leader must also be humble. There is growing uncertainty, distrust and cynicism regarding the motives and values of global leaders, typified by how Amazon inappropriately manages their workforce (Kelly, 2022) and the recent P&O Ferries redundancy scandal, (Partridge, 2022). Consequently, followers may feel apprehensive and insecure at work, suggesting the need for 'authentic' leadership qualities, defined as the ability to display the leader's spirit, character and personality despite the pressures they face (Northouse, 2018, p.113). One form of leadership closely aligned with authentic leadership is humble leadership. This concerns the way leaders see themselves, ideally being objective, and more openly accepting new information and ideas. This will allow others to view them more appreciatively (Oc et al., 2020, p.118).

Research has shown humility has three major components: self–awareness, openness to new ideas and transcendence (Morris et al., 2005, p.1331). Humble leaders can increase employee productivity, job performance, work engagement and trust. The need for this humility in future global leaders is important for contemporary challenges and those of the future. Recent research on leadership humility has shown that when

there is a humble CEO, their senior management team are more likely to share information and collaborate (Ou et al., 2018, p.1152), implying the organisation uses its talent to the maximum advantage. Furthermore, Owens and Hekman (2015) showed leader humility can be contagious; employees are more prone to admit to the mistakes they make and acknowledge their limitations, being prepared to praise their colleagues and be more accepting of advice and new ideas (p.1093). Nonetheless, humble leaders must be genuine and authentic, if not this may be quickly perceived as being manipulative or disingenuous by their followers.

However, humble leaders do not directly affect their followers, but rather create an environment where followers perform effectively and enhance overall performance. With such leaders, followers can openly share ideas, feel confident and contribute to an environment where they feel secure and supported. This links to the importance of innovative leadership and followers contributing ideas being more likely with humble leaders. This characteristic is important as global competition and technological change further advance, leaders will need to create business environments where their followers feel open to sharing new ideas, thus meeting changing consumer tastes. Nonetheless, this may result in the 'authenticity paradox' where leaders can be too true to themselves that they are unwilling to adapt (Ibarra, 2015), meaning they may not address the necessary change.

Furthermore, humble leaders risk losing their followers due to a lack of trust and confidence. This is because they may appear weak, although this depends on the followers' expectations. There is also the risk of imposter syndrome where one feels inadequate, despite organisational success (Mayo, 2017). Nevertheless, sincerity and genuineness are crucial in humble leaders, further encouraging followers to embrace the leaders' vision.

5.0 Conclusion

This report has identified three crucial characteristics that are required by ideal future leaders, being CQ, innovation and humility. The need for these characteristics is driven by the rapid pace of globalisation, technological advancement and changing consumer tastes. Future leaders must be able to lead teams of diverse cultures, produce innovative and creative environments and motivate their followers by being authentic. By

displaying these features, leaders will be able to successfully overcome both contemporary and future challenges.

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